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Research

# Altice International

Q4 2023 results

13 March 2024

## Altice International

Q4 23: Good numbers, all disposal options seem to be on the table

13 March 2024

**Summary:** Altice International reported a solid set of results today. The war in Israel has impacted the Israeli numbers, but broadly as expected. Portugal continues to perform very nicely, and overall the guidance suggests that ATCI, like NOS (read [HERE](#)), see minimal impact from Digi in 2024. The guidance looks sensible, but German construction revenue could be a big delta to numbers, and the impact here remains uncertain. There was no update on disposals given (update possible at the Q1s), and it still sounds like all options are on the table (e.g. appropriate leverage levels if one/some assets are disposed was raised as a discussion topic). Read about how a Teads disposal could hold the key to delevering at Altice France [HERE](#). Listen to a replay of an expert call with James O'Connor, ex VP Global Demand Development, Teads [HERE](#).

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## Summary

## Results vs expectations: Portugal off-setting Israel/DR; 2 unusual items, in-line ex those two

ATCI has reported a good set of results vs our EBITDA and OpFCF expectations; EBITDA is a touch light thanks to Israel/Teads which off-sett Portugal. OpFCF is nearly 5% ahead.

There is another €10m support in Portugal from onerous content contacts (and will be for another 2 quarters, 4 in total). Adjusting for those, EBITDA is c3% light, and OpFCF is in-line, +0.3%. The onerous contracts are being paid through the CF in NWC.

### Q3 23

#### Total revenue

€m	Reported	NSR	% diff
Portugal	747	769	-2.9%
Israel	255	252	1.3%
DR	147	141	4.1%
Teads	204	208	-2.1%
Other	-8	-7	14.3%
<b>Total</b>	<b>1,344</b>	<b>1,363</b>	<b>-1.4%</b>

#### EBITDA

€m	Reported	NSR	% diff
Portugal	258	255	1.3%
Israel	84	86	-2.1%
DR	77	77	-0.6%
Teads	75	82	-9.0%
Other	-1	-3	-66.7%
<b>Total</b>	<b>493</b>	<b>498</b>	<b>-0.9%</b>

#### Capex

€m	Reported	NSR	% diff
Portugal	147	152	-3.4%
Israel	72	68	6.2%
DR	26	41	-36.2%
Teads	3	5	-34.5%
Other	0	-3	-100.0%
<b>Total</b>	<b>247</b>	<b>262</b>	<b>-5.8%</b>

#### OpFCF

€m	Reported	NSR	% diff
Portugal	111	103	8.1%
Israel	12	18	-33.6%
DR	51	37	38.9%
Teads	72	78	-7.5%
Other	-1	0	nm
<b>Total</b>	<b>246</b>	<b>235</b>	<b>4.5%</b>

## Guidance: 2024 OpFCF >€1bn

Altice has given new 2024 guidance for >€1bn of OpFCF. We are at €1.1bn currently. The longer the war in Israel goes on, the lower our number will get (albeit the impact in Q4 was not too great (1 month only though really)).

- *There will be another €20m support to EBITDA in Portugal from onerous contracts (offset at NWC level)*
- **Geodesia** will be a big swing factor. We currently have HP in Germany accelerating very quickly to +450k from +77k in 2022 (but there is some uncertainty, and Altice would not provide detailed guidance on the call). This will provide an additional c€100m to EBITDA/OpFCF, and will account for most of the c€150m delta in OpFCF, 2024 on 2023.
- *The guidance suggests to us that ATCI, like NOS (read [HERE](#)), also see minimal impact from **Digi** in 2024.*

## Guidance

<p>2023 Achievements</p>	<ul style="list-style-type: none"> <li>• Total revenue growth of +5.7% YoY on a constant currency basis (reported +2.2%) ✓</li> <li>• Total EBITDA growth of +7.2% YoY on a constant currency basis (reported +3.6%) ✓</li> <li>• OpFCF growth of +16.9% YoY on a constant currency basis (reported +14.2%) ✓</li> <li>• Ending net leverage of 4.5x ✓</li> </ul>
<p>2024 Guidance</p>	<ul style="list-style-type: none"> <li>• FY 2024: revenue and EBITDA growth YoY, absolute OpFCF in excess of €1 billion</li> <li>• Target leverage of 4.0x to 4.5x net debt to EBITDA</li> </ul>

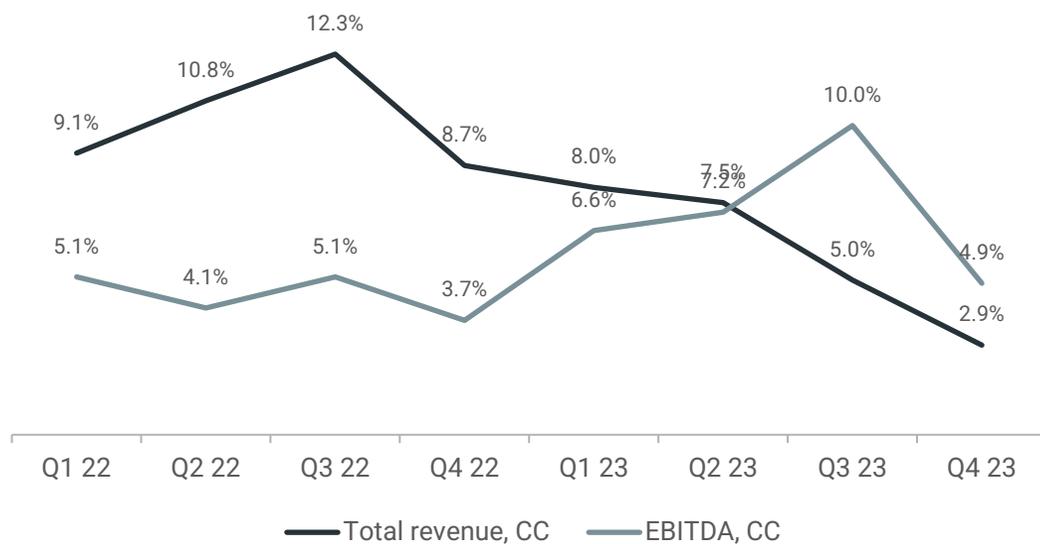
## Key trends: Headline EBITDA trends are good, but slower

**Group (inc Teads):** Total revenue (inc Teads) (CC) was +2.9% y/y from +5.0% y/y and total EBITDA (CC) was +4.9% y/y from +10.0% y/y. A slowdown due to a smaller delta in construction revenue.

**Telecom (ex Teads):** Revenue growth on a CC basis was +4.4% y/y from +6.7% y/y in Q3 23 (includes construction). Telecom EBITDA was +9.7% y/y from +13.2% y/y. We show trends ex construction on the next slide.

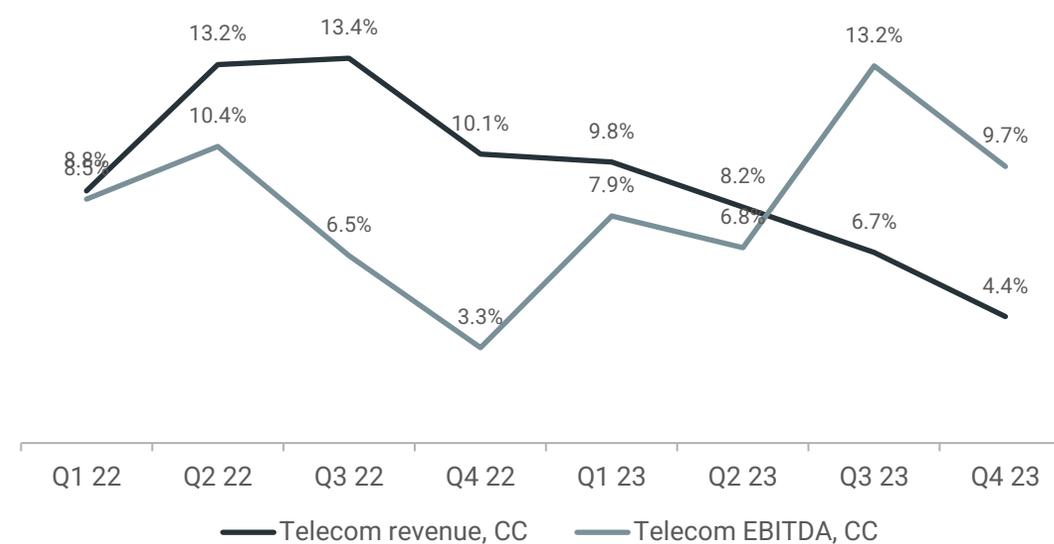
### Constant currency trends – Group (Telco+Teads)

y/y



### Constant currency trends - Telecoms

y/y



**Key trends:** Underlying EBITDA trends are good as well (but also slower)

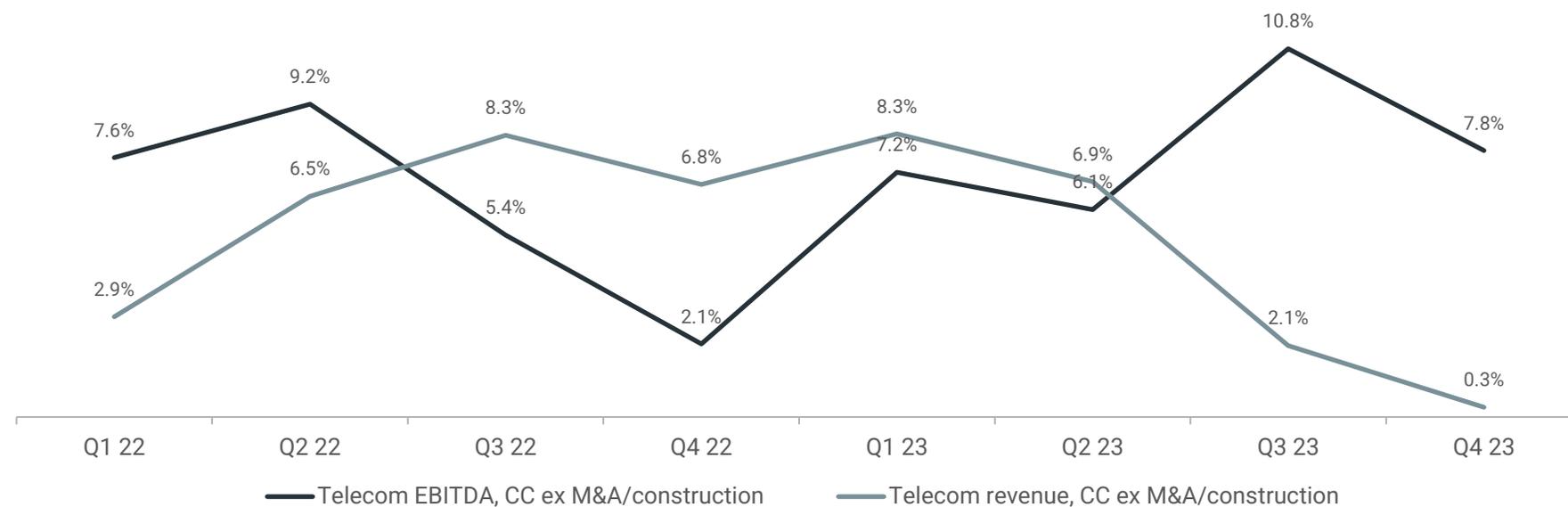
**Ex M&A/Construction:** We estimate that construction provided c4.1pp support to revenue and c2.3pp to EBITDA in Q4 23.

**Revenue:** On a CC basis ex construction, Telecom revenue growth was +0.3% y/y from +2.1% y/y in Q4 23. Revenue growth is slower thanks to the loss of margin MTR revenue in Israel and low margin B2B revenue in Portugal.

**EBITDA:** On the same CC ex construction basis, EBITDA was +7.3% y/y from +10.5% y/y in Q3 23.

### Constant currency Telecom trends ex M&A/construction

y/y



## Net debt/FCF: ND up by €171m this quarter

**FCF:** FCF as given by ATC -€1m. Interest is supported by c€30m of UK interest (the loan has been extended until October 2026) and will now be c€500m for FY24 the company said on the call. NWC has the onerous provision from Portugal included. Pension costs are flat-ish y/y.

**Other FCF:** In total, the movement in net debt was negative -€171m, reconciled to the -€1m in FCF as defined by Altice by: -€14m of spectrum, -€125m gun-jumping fine from the EC, -€17m of FX/HQ, -€6m M&A and -€9m other costs.

**Leverage:** On several calls now Altice has confirmed that the leverage target of 4.0x-4.5x does not include credit for the investment made in Altice UK (via the granting of a loan), i.e. underlying leverage is c4.3x assuming the loan is 100% good vs headline c4.6x. The target leverage is ex the UK loan, i.e. the company is conservatively assuming that the loan is not good.

**Geodesia:** As a reminder, Geodesia is outside the restricted group, and so ATCI will not be making any equity injections into the JV.

**Fine:** There is a new €124m fine to be paid for jumping the gun in Portugal, which will be paid from the RCD/cash in hand.

<u>Altice International</u>								
€m	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23	Q2 23	Q3 23	Q4 23
<b>EBITDA</b>	<b>405</b>	<b>437</b>	<b>458</b>	<b>490</b>	<b>430</b>	<b>456</b>	<b>476</b>	<b>493</b>
Less: Capex	-212	-238	-233	-268	-230	-215	-205	-247
<b>OpFCF</b>	<b>193</b>	<b>199</b>	<b>225</b>	<b>222</b>	<b>200</b>	<b>241</b>	<b>271</b>	<b>246</b>
Less: Interest	-133	-18	-137	-48	-117	-65	-173	-26
Less: Pension	-26	-26	-29	-30	-23	-23	-29	-28
Less: Tax	-29	-65	-73	-47	-25	-65	-70	-42
Less: NWC/Other	67	-35	-9	35	22	-70	38	-64
Plus: Interest received	0	0	25	0	0	0	0	0
Less: Minority dividend	0	-26	-3	-2	0	-41	0	-87
<b>Altice FCF</b>	<b>72</b>	<b>29</b>	<b>-1</b>	<b>130</b>	<b>57</b>	<b>-23</b>	<b>37</b>	<b>-1</b>
<b>Net debt - actual</b>	<b>7,744</b>	<b>7,844</b>	<b>8,021</b>	<b>8,040</b>	<b>8,523</b>	<b>8,552</b>	<b>8,614</b>	<b>8,786</b>
<b>Net debt change</b>	<b>117</b>	<b>-100</b>	<b>-177</b>	<b>-19</b>	<b>-483</b>	<b>-29</b>	<b>-62</b>	<b>-172</b>
<b>Implied other FCF</b>	<b>45</b>	<b>-129</b>	<b>-176</b>	<b>-149</b>	<b>-540</b>	<b>-6</b>	<b>-99</b>	<b>-171</b>
- of which:								
M&A - Acquisitions	71	0	0	-78	0	0	0	-6
FX	-15	-74	-130	-14	0	0	-45	-17
Securitisation/reverse factoring interest	-6	0	0	0	0	0	-15	0
Restructuring	0	0	0	0	0	0	0	0
Inter-company/Coporate costs	0	0	0	0	0	0	-34	-9
Tax on towers disposalal portugal	0	0	0	0	0	0	0	0
Call premium	0	0	0	0	0	0	0	0
Sum of capex differences	0	0	0	0	0	0	0	0
Spectrum	0	0	0	-56	0	0	0	-14
Inter-company loan (dividends)	0	0	0	0	-490	0	0	0
Litigaton	0	-15	-30	0	0	0	0	0
Other	-5	-40	-16	0	-50	-6	-5	-125
<b>Sum of other</b>	<b>45</b>	<b>-129</b>	<b>-176</b>	<b>-149</b>	<b>-540</b>	<b>-6</b>	<b>-99</b>	<b>-171</b>
<u>Restricted Group</u>								
L2QA								
<b>Net debt/EBITDA - actual</b>	<b>4.5</b>	<b>4.7</b>	<b>4.6</b>	<b>4.5</b>	<b>4.6</b>	<b>4.7</b>	<b>4.6</b>	<b>4.5</b>
<b>Net debt/EBITDA adjusted for UK</b>	<b>4.1</b>	<b>4.3</b>	<b>4.2</b>	<b>3.9</b>	<b>4.3</b>	<b>4.3</b>	<b>4.3</b>	<b>4.2</b>

## Summary Group trends

Total revenue	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23	Q2 23	Q3 23	Q4 23
Portugal	11.5%	16.5%	15.4%	11.3%	14.2%	11.8%	9.1%	7.5%
Israel	16.4%	21.0%	25.8%	13.2%	-2.9%	-7.7%	-14.5%	-16.6%
DR	14.9%	24.1%	29.9%	19.1%	8.3%	-1.1%	-8.0%	-6.4%
Teads	15.0%	1.7%	14.9%	6.8%	-2.1%	2.8%	-8.7%	-5.5%
<b>Total</b>	<b>13.2%</b>	<b>16.2%</b>	<b>19.1%</b>	<b>11.7%</b>	<b>7.5%</b>	<b>4.6%</b>	<b>-0.6%</b>	<b>-1.5%</b>

EBITDA	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23	Q2 23	Q3 23	Q4 23
Portugal	8.7%	9.1%	5.4%	2.1%	10.5%	9.5%	20.3%	17.9%
Israel	19.1%	29.9%	22.8%	6.7%	-1.8%	-9.0%	-19.9%	-22.3%
DR	19.1%	22.3%	28.8%	22.1%	10.6%	2.8%	-4.4%	-5.6%
Teads	-34.5%	-38.5%	-10.9%	7.2%	-15.0%	11.4%	-15.3%	-11.5%
<b>Total</b>	<b>9.0%</b>	<b>9.2%</b>	<b>11.0%</b>	<b>6.7%</b>	<b>6.4%</b>	<b>4.3%</b>	<b>3.8%</b>	<b>0.5%</b>

Total revenue (CC)	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23	Q2 23	Q3 23	Q4 23
Portugal	11.5%	16.5%	15.4%	11.3%	14.2%	11.8%	9.1%	7.5%
Israel	5.9%	9.6%	13.1%	11.2%	2.6%	3.1%	1.7%	-3.7%
DR	4.3%	6.2%	5.7%	2.6%	2.6%	0.3%	3.3%	2.8%
Teads	11.5%	-4.3%	6.0%	2.3%	-4.2%	4.0%	-5.9%	-2.4%
<b>Total</b>	<b>9.1%</b>	<b>10.8%</b>	<b>12.3%</b>	<b>8.7%</b>	<b>8.0%</b>	<b>7.5%</b>	<b>5.0%</b>	<b>2.9%</b>

EBITDA (CC)	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23	Q2 23	Q3 23	Q4 23
Portugal	8.7%	9.1%	5.4%	2.1%	10.5%	9.5%	20.3%	17.9%
Israel	8.4%	17.7%	10.4%	4.5%	3.8%	1.6%	-4.6%	-10.3%
DR	8.1%	4.7%	4.7%	5.1%	4.8%	4.2%	7.3%	3.8%
Teads	-34.5%	-38.6%	-6.1%	7.1%	-14.6%	14.9%	-9.7%	-9.8%
<b>Total</b>	<b>5.1%</b>	<b>4.1%</b>	<b>5.1%</b>	<b>3.7%</b>	<b>6.6%</b>	<b>7.2%</b>	<b>10.0%</b>	<b>4.9%</b>

### ex M&A/Construction

Q3 21	Q4 22	Q1 23	Q2 23	Q3 23	Q4 23
4.4%	8.6%	11.7%	9.5%	2.7%	1.6%

### ex M&A/Construction

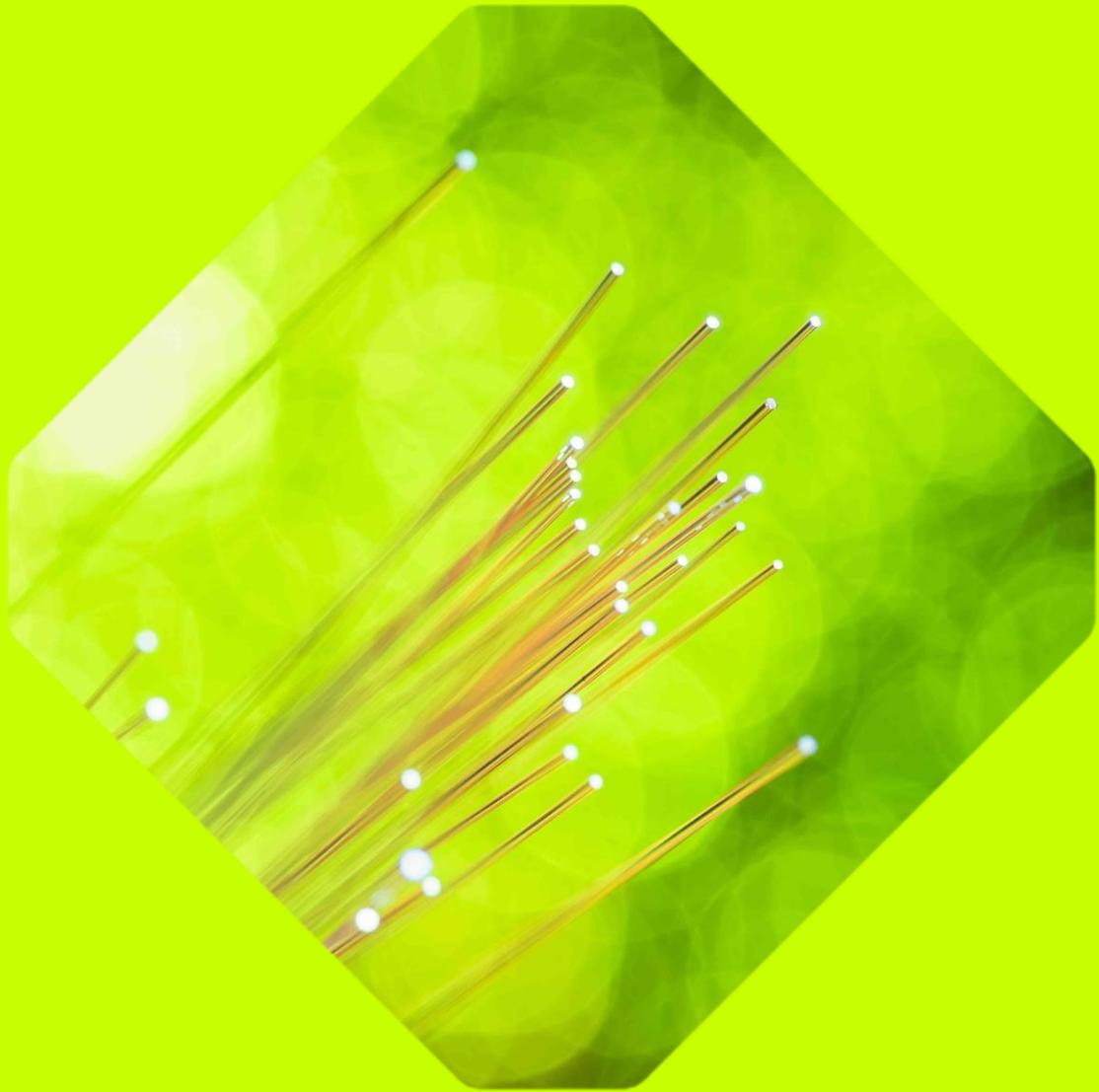
Q3 21	Q4 22	Q1 23	Q2 23	Q3 23	Q4 23
2.3%	1.2%	9.0%	8.2%	16.4%	14.5%

### ex M&A/Construction

Q3 21	Q4 22	Q1 23	Q2 23	Q3 23	Q4 23
4.4%	8.6%	11.7%	9.5%	2.7%	1.6%
	4.9%	2.8%	3.7%	-0.3%	-5.0%

### ex M&A/Construction

Q3 21	Q4 22	Q1 23	Q2 23	Q3 23	Q4 23
2.3%	1.2%	9.0%	8.2%	16.4%	14.5%
	1.9%	4.4%	1.9%	-5.3%	-11.4%



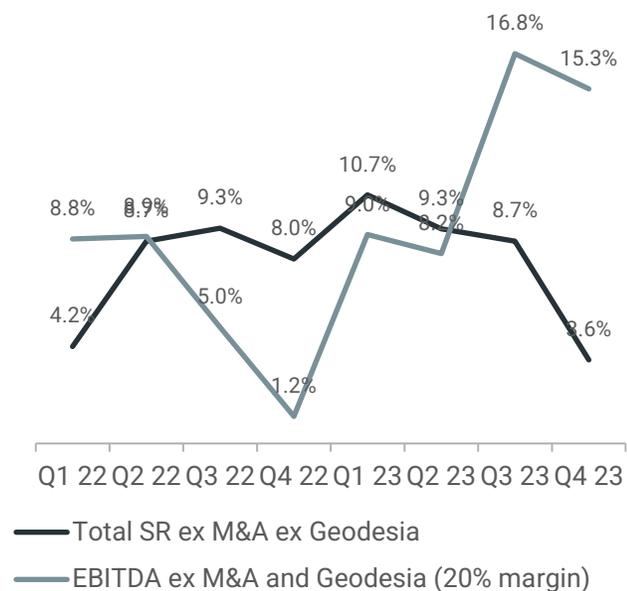
**Divisional analysis**

## Telecom Summary: Portugal EBITDA very good again

- **Portugal:** Weaker y/y revenue but good EBITDA growth; the Geodesia contract is having a huge impact and disclosure is patchy. Ex the onerous contract impact in Q3 and Q4, EBITDA growth is +11% in Q4 from +13% in Q3.
- **Israel:** Weaker SR (zero margin MTR) y/y, but EBITDA is also weak y/y ex FTTH construction revenue (war impact partly);
- **DR:** EBITDA growth slowed to EBITDA growth

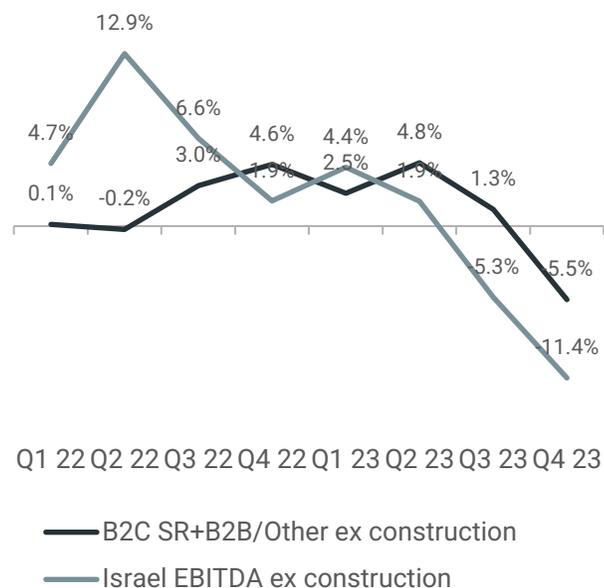
### Portugal SR and EBITDA trends

Local FX, y/y



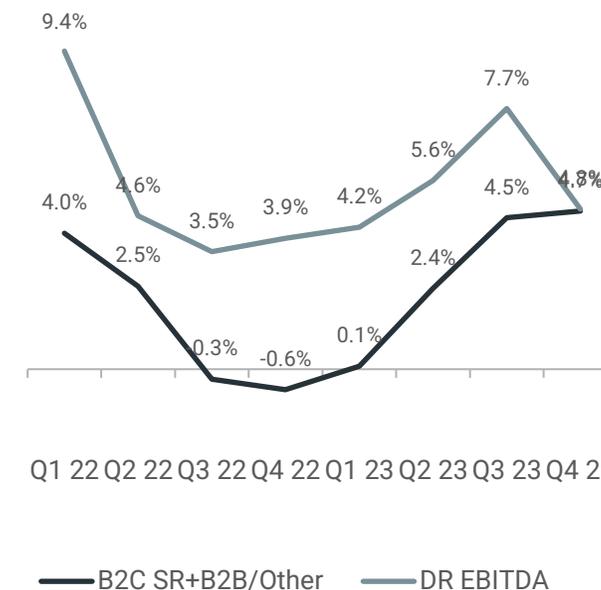
### Israel SR and EBITDA trends

Local FX, y/y



### DR SR and EBITDA trends

Local FX, y/y



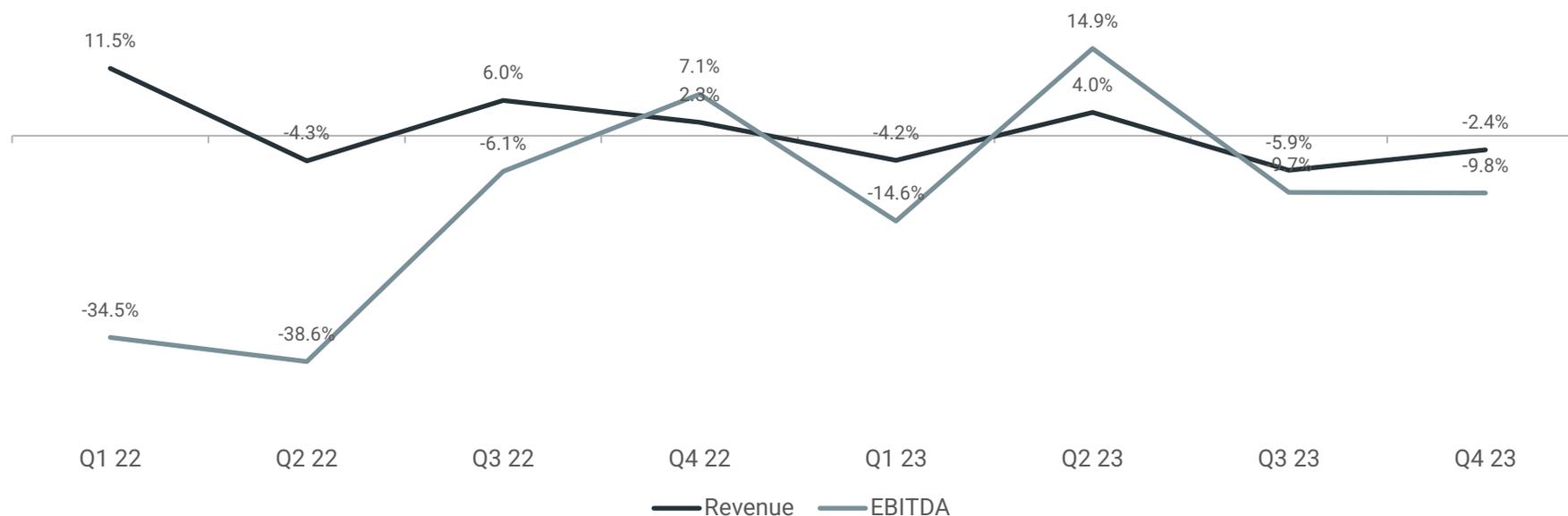
**Teads:** 2023 has been disappointing. The goal is for growth in 2024.

**Revenue:** On a constant currency basis, revenue growth was -2.4% y/y from -5.9% y/y in Q3 23 – a disappointing further negative growth.

**EBITDA:** On a constant currency basis EBITDA growth was -9.8% y/y from -9.7% y/y in Q3 23. Q4 provides c50% of the EBITDA, and so performance in Q4 is critical to FY targets. Teads has missed and disappointed expectations for 2023. For 2024, on the call Altice said that it hopes for “growth”. Listen to a replay of an expert call with James O’Connor, ex VP Global Demand Development, Teads [HERE](#)

**Constant FX trends**

y/y



**Portugal:** Construction revenue clouds picture, but underlying numbers are good

**Summary:** Portugal has had another very strong headline quarter.

**Revenue:** The Unisano acquisition (call centre business) has now annualized, but ATS/Geodesia (FTTH roll in Germany) is now coming into the numbers, and has had a material impact this quarter.

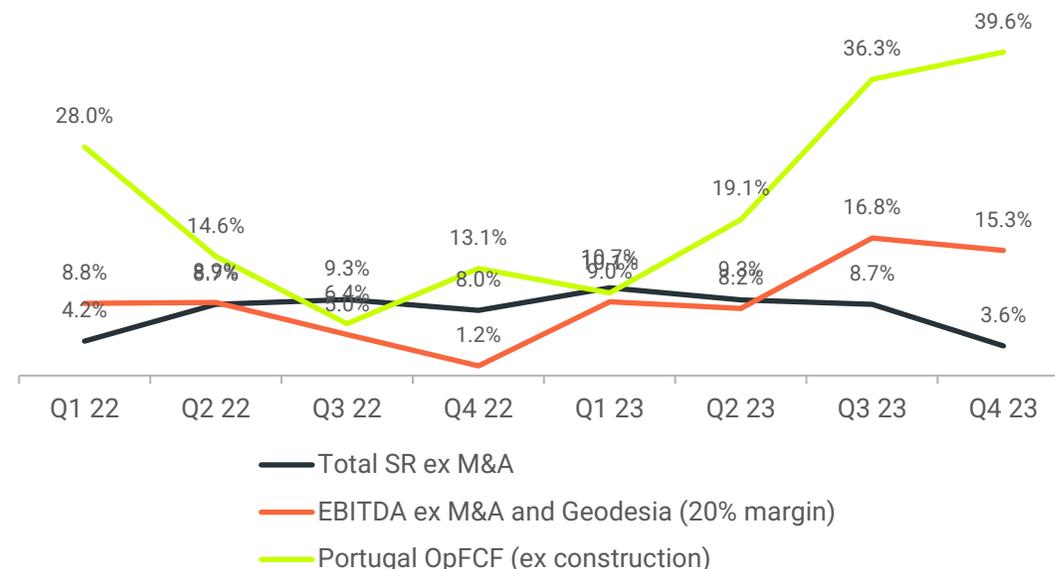
- **Total SR** Ex ATS, revenue ex equipment (i.e. B2C SR+B2B/Other) was +3.6% y/y from +8.7% y/y in Q3 23. Within the mix:
- **B2C SR** was an impressive +4.4% y/y from +4.0% y/y in Q3 23 (fixed SR +4.0% y/y, mobile SR +4.9% y/y – see next slide for details);
- **B2B/Other** was +10.4% y/y from +15% y/y. Stripping out Unisano and ATS/Geodesia, B2B/Other revenue growth was +3% y/y from +2% y/y in Q3 23.

**EBITDA:** reported EBITDA growth was +18% y/y from +20% y/y in Q3 23. Ex ATS/Geodesia we estimate that growth was +15.3% y/y from +16.8% y/y in Q3 23, an impressive result, implying a good drop through of SR. Altice Labs is helping to drive growth Altice say, but there is no disclosure.

**KPIs:** A good performance in mobile (+27k postpaid adds), and +2k broadband adds.

**Summary of key trends**

y/y



# Portugal

Portugal Local FX	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23	Q2 23	Q3 23	Q4 23	Q1 23	Q2 23	Q3 23	Q4 23
<b>Portugal, EUR</b>												
Fixed B2C	171	174	173	175	179	181	180	182	4.7%	4.0%	4.0%	4.0%
Mobile B2C	143	146	157	163	157	155	161	172	9.8%	6.2%	2.5%	5.5%
B2C MSR	118	120	124	122	123	125	129	128	4.2%	4.2%	4.0%	4.9%
Equipment sales	25	26	33	41	34	30	32	44	36.0%	15.4%	-3.0%	7.3%
<b>Total Portugal B2C SR</b>	<b>289</b>	<b>294</b>	<b>297</b>	<b>297</b>	<b>302</b>	<b>306</b>	<b>309</b>	<b>310</b>	<b>4.5%</b>	<b>4.1%</b>	<b>4.0%</b>	<b>4.4%</b>
Portugal B2B/Other	299	322	350	356	364	382	401	393	21.7%	18.6%	14.6%	10.4%
<b>Total Portugal revenue</b>	<b>613</b>	<b>642</b>	<b>680</b>	<b>694</b>	<b>700</b>	<b>718</b>	<b>742</b>	<b>747</b>	<b>14.2%</b>	<b>11.8%</b>	<b>9.1%</b>	<b>7.6%</b>
<b>Total Portugal ex M&amp;A</b>	<b>569</b>	<b>599</b>	<b>664</b>	<b>694</b>	<b>700</b>	<b>718</b>	<b>742</b>	<b>747</b>	<b>14.2%</b>	<b>11.8%</b>	<b>9.1%</b>	<b>7.6%</b>
<b>Total Portugal ex M&amp;A ex Geodesia</b>			<b>646</b>	<b>679</b>	<b>685</b>	<b>703</b>	<b>699</b>	<b>705</b>	<b>11.7%</b>	<b>9.5%</b>	<b>8.1%</b>	<b>3.8%</b>
<b>Total SR</b>	<b>588</b>	<b>616</b>	<b>647</b>	<b>653</b>	<b>666</b>	<b>688</b>	<b>710</b>	<b>703</b>	<b>13.3%</b>	<b>11.7%</b>	<b>9.7%</b>	<b>7.7%</b>
<b>Total SR ex M&amp;A</b>	<b>544</b>	<b>573</b>	<b>631</b>	<b>653</b>	<b>666</b>	<b>688</b>	<b>710</b>	<b>703</b>	<b>13.3%</b>	<b>11.7%</b>	<b>9.7%</b>	<b>7.7%</b>
<b>Total SR ex M&amp;A ex Geodesia</b>			<b>613</b>	<b>638</b>	<b>651</b>	<b>673</b>	<b>667</b>	<b>661</b>	<b>10.7%</b>	<b>9.3%</b>	<b>8.7%</b>	<b>3.6%</b>
<b>Portugal EBITDA</b>	<b>222</b>	<b>232</b>	<b>234</b>	<b>218</b>	<b>245</b>	<b>254</b>	<b>281</b>	<b>258</b>	<b>10.4%</b>	<b>9.5%</b>	<b>20.1%</b>	<b>18.3%</b>
<b>EBITDA ex M&amp;A and Geodesia (20% margin)</b>			<b>233</b>	<b>217</b>	<b>242</b>	<b>251</b>	<b>272</b>	<b>250</b>	<b>9.0%</b>	<b>8.2%</b>	<b>16.8%</b>	<b>15.3%</b>
<b>Portugal Capex</b>	<b>103</b>	<b>122</b>	<b>114</b>	<b>143</b>	<b>111</b>	<b>120</b>	<b>110</b>	<b>147</b>	<b>7.8%</b>	<b>-1.6%</b>	<b>-3.5%</b>	<b>2.8%</b>
<b>Portugal OpFCF (ex construction)</b>	<b>119</b>	<b>110</b>	<b>119</b>	<b>74</b>	<b>131</b>	<b>131</b>	<b>162</b>	<b>103</b>	<b>10.1%</b>	<b>19.1%</b>	<b>36.3%</b>	<b>39.6%</b>
Portugal postpaid mobile net adds	25	27	41	37	24	27	34	27	-4.0%	0.0%	-17.1%	-27.0%
Portugal bband net adds	3	16	0	8	2	2	6	2	-33.3%	-87.5%	nm	-75.0%

## Israel: Weaker trends as impact of war is felt

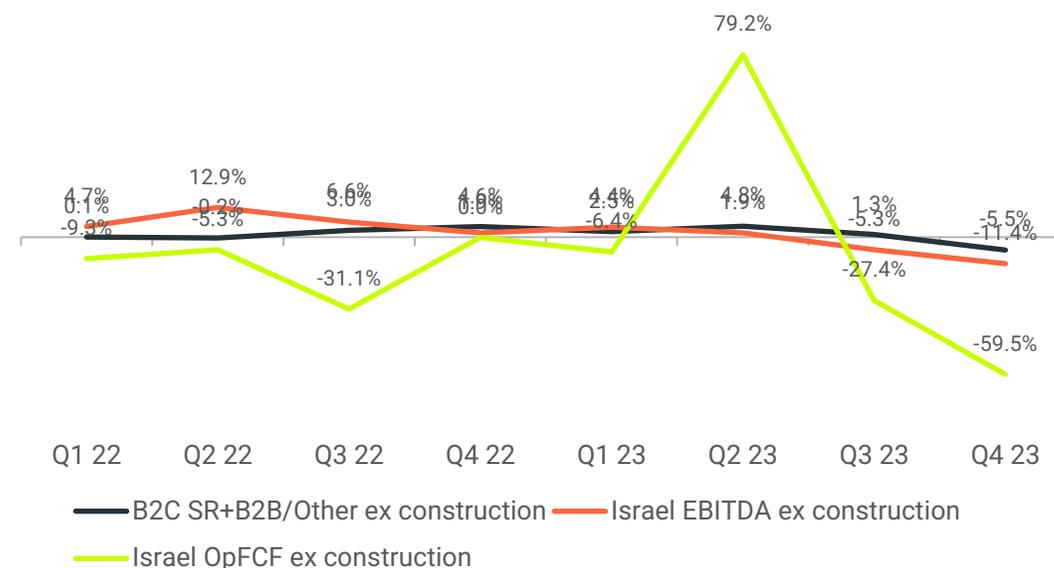
**Revenue:** Local FX (NSR calculated) total revenue ex equipment (i.e. B2C SR+B2B/Other) was -4.1% y/y from +3.1% y/y in Q3 23 thanks to a weaker fixed performance. Stripping out construction revenue, total SR LFL was -5.5% y/y from +1.3% y/y in Q3 23. Within the mix:

- **B2C SR** was -7.1% y/y from -0.6% y/y in Q3 23 thanks to weak fixed (-8.2% y/y from -0.8% y/y), with mobile slightly better at -3.2% y/y from -4.5% y/y.
- **B2B/Other** was +6% y/y from +16% y/y in Q3 23, but now contains FTTH construction revenue. The IBC deal (23% stake bought) is a route to FTTH, and will help keep capex off B/S. ATC has been receiving construction revenue from Q3 21 onwards, and now discloses HP for the JV (ATS did the majority of the outsourced roll), and enough other information to estimate construction revenue and EBITDA. We estimate that ex construction revenue, B2B was +3% y/y from +10% y/y in Q3 23 – probably low margin volatile CPE/IoT revenue.
- **EBITDA:** EBITDA was -10% y/y from -4% y/y in Q3 23; -11.4% y/y from -5.3% y/y ex construction. The war impacting here.

**KPIs:** A weak quarter in fixed (-18k adds) and mobile (+0k postpaid adds).

### Summary of key trends, local FX

y/y



Israel	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23	Q2 23	Q3 23	Q4 23	Q1 23	Q2 23	Q3 23	Q4 23
<b>Local FX</b>												
<b>Israel, ILS</b>												
Fixed B2C	523	513	513	545	504	509	509	501	-3.7%	-0.8%	-0.8%	-8.2%
Mobile B2C	297	306	328	314	322	310	314	304	8.3%	1.2%	-4.5%	-3.2%
B2C MSR	215	224	233	228	235	234	232	217	9.3%	4.5%	-0.2%	-4.6%
Equipment sales	82	82	96	86	87	75	81	86	5.8%	-7.8%	-15.0%	0.7%
<b>Total Israel B2C SR</b>	<b>738</b>	<b>737</b>	<b>746</b>	<b>773</b>	<b>739</b>	<b>743</b>	<b>741</b>	<b>718</b>	<b>0.1%</b>	<b>0.8%</b>	<b>-0.6%</b>	<b>-7.1%</b>
Israel B2B/Other	208	221	229	228	235	250	265	242	13.1%	13.4%	15.5%	6.1%
<b>Total Israel revenue</b>	<b>1,029</b>	<b>1,040</b>	<b>1,071</b>	<b>1,087</b>	<b>1,061</b>	<b>1,069</b>	<b>1,087</b>	<b>1,046</b>	<b>3.2%</b>	<b>2.8%</b>	<b>1.5%</b>	<b>-3.7%</b>
<b>B2C SR+B2B/Other</b>	<b>946</b>	<b>958</b>	<b>975</b>	<b>1,001</b>	<b>974</b>	<b>993</b>	<b>1,006</b>	<b>960</b>	<b>3.0%</b>	<b>3.7%</b>	<b>3.1%</b>	<b>-4.1%</b>
<b>B2C SR+B2B/Other ex construction</b>	<b>892</b>	<b>883</b>	<b>915</b>	<b>931</b>	<b>914</b>	<b>925</b>	<b>927</b>	<b>880</b>	<b>2.5%</b>	<b>4.8%</b>	<b>1.3%</b>	<b>-5.5%</b>
<b>Israel EBITDA</b>	<b>337</b>	<b>353</b>	<b>369</b>	<b>385</b>	<b>353</b>	<b>358</b>	<b>354</b>	<b>345</b>	<b>4.6%</b>	<b>1.4%</b>	<b>-4.1%</b>	<b>-10.4%</b>
<b>Israel EBITDA ex construction</b>	<b>326</b>	<b>338</b>	<b>357</b>	<b>371</b>	<b>341</b>	<b>344</b>	<b>338</b>	<b>329</b>	<b>4.4%</b>	<b>1.9%</b>	<b>-5.3%</b>	<b>-11.4%</b>
<b>Israel Capex</b>	<b>290</b>	<b>274</b>	<b>284</b>	<b>289</b>	<b>307</b>	<b>230</b>	<b>285</b>	<b>295</b>	<b>5.8%</b>	<b>-16.0%</b>	<b>0.4%</b>	<b>2.3%</b>
<b>Israel OpFCF ex construction</b>	<b>36</b>	<b>63</b>	<b>74</b>	<b>82</b>	<b>33</b>	<b>113</b>	<b>53</b>	<b>33</b>	<b>-6.4%</b>	<b>79.2%</b>	<b>-27.4%</b>	<b>-59.5%</b>
Israel postpaid mobile net adds	12	11	25	14	14	9	12	0	16.7%	-18.2%	-52.0%	-100.0%
Israel bband net adds	12	-2	8	-1	-3	-13	-7	-18	-125.0%	550.0%	-187.5%	1700.0%

## DR: EBITDA still above SR growth

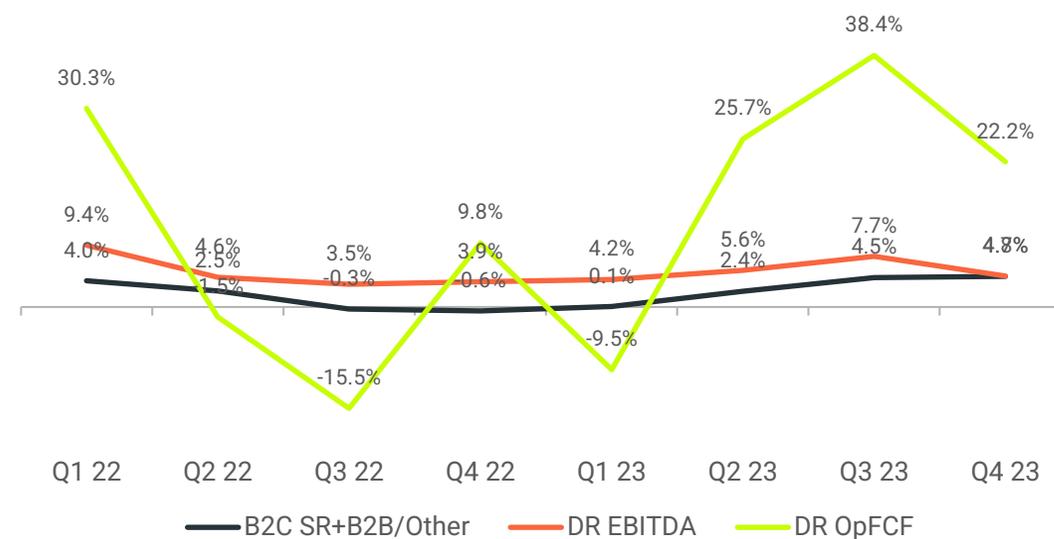
**Revenue:** In local FX (NSR calculated) total revenue ex equipment (i.e. B2C SR+B2B/Other) was good at +4.7% y/y from +4.5% y/y in Q3 23. Within the mix:

- **B2C SR was at +3.8% y/y from +4.0% y/y in Q3 23;**
  - **B2C MSR** growth was +5.3% y/y from +4.5% y/y in Q3 23; and
  - **B2C fixed** was -0.8% from -1.4% y/y in Q3 23;
- **B2B/Other** was -2.0% y/y from +9.2% y/y in Q3 23.

**EBITDA:** EBITDA was +4.8% y/y from +7.7% y/y in Q3 23 – EBITDA growth has now been greater than SR growth for eleven quarters in a row, but this quarter the two growth rates are very close.

**KPIs:** A slow quarter in fixed with +0k adds, but better in mobile with +5k mobile postpaid adds.

Summary of key trends, local FX  
y/y



## Dominican Republic

Dominican Republic												
Local FX	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23	Q2 23	Q3 23	Q4 23	Q1 23	Q2 23	Q3 23	Q4 23
<b>Dominican Republic, DOP</b>												
Fixed B2C	1,705	1,699	1,680	1,669	1,677	1,727	1,658	1,656	-1.6%	1.6%	-1.4%	-0.8%
Mobile B2C	5,368	5,508	5,475	5,565	5,392	5,538	5,710	5,826	0.4%	0.6%	4.3%	4.7%
B2C MSR	4,863	4,922	4,933	5,008	4,972	5,062	5,157	5,274	2.3%	2.8%	4.5%	5.3%
Equipment sales	505	586	542	556	419	476	553	552	-17.0%	-18.7%	1.9%	-0.8%
<b>Total DR B2C SR</b>	<b>6,568</b>	<b>6,621</b>	<b>6,614</b>	<b>6,678</b>	<b>6,710</b>	<b>6,789</b>	<b>6,876</b>	<b>6,930</b>	<b>2.2%</b>	<b>2.5%</b>	<b>4.0%</b>	<b>3.8%</b>
DR B2B/Other	1,516	1,582	1,518	1,503	1,677	1,548	1,658	1,472	10.7%	-2.1%	9.2%	-2.0%
<b>Total DR revenue</b>	<b>8,531</b>	<b>8,390</b>	<b>8,251</b>	<b>8,358</b>	<b>8,452</b>	<b>8,468</b>	<b>8,608</b>	<b>8,720</b>	<b>-0.9%</b>	<b>0.9%</b>	<b>4.3%</b>	<b>4.3%</b>
<b>B2C SR+B2B/Other</b>	<b>8,025</b>	<b>7,805</b>	<b>7,709</b>	<b>7,802</b>	<b>8,033</b>	<b>7,992</b>	<b>8,055</b>	<b>8,168</b>	<b>0.1%</b>	<b>2.4%</b>	<b>4.5%</b>	<b>4.7%</b>
<b>DR EBITDA</b>	<b>4,484</b>	<b>4,512</b>	<b>4,445</b>	<b>4,508</b>	<b>4,673</b>	<b>4,764</b>	<b>4,789</b>	<b>4,722</b>	<b>4.2%</b>	<b>5.6%</b>	<b>7.7%</b>	<b>4.8%</b>
<b>DR Capex</b>	<b>1,768</b>	<b>2,285</b>	<b>2,006</b>	<b>1,948</b>	<b>2,217</b>	<b>1,965</b>	<b>1,412</b>	<b>1,594</b>	<b>25.4%</b>	<b>-14.0%</b>	<b>-29.6%</b>	<b>-18.1%</b>
<b>DR OpFCF</b>	<b>2,716</b>	<b>2,227</b>	<b>2,439</b>	<b>2,560</b>	<b>2,456</b>	<b>2,799</b>	<b>3,377</b>	<b>3,127</b>	<b>-9.5%</b>	<b>25.7%</b>	<b>38.4%</b>	<b>22.2%</b>
DR postpaid mobile net adds	1	7	5	10	5	6	4	5	400.0%	-14.3%	-20.0%	-50.0%
DR bband net adds	1	1	3	3	2	2	2	0	100.0%	100.0%	-33.3%	-100.0%



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